COMMISSIONERS

KRISTIN K. MAYES - Chairman GARY PIERCE PAUL NEWMAN SANDRA D. KENNEDY BOB STUMP





IIILEI IIII EXECUTIVE DITECTO

# **ORIGINAL**

February 25, 2009

To: Docket Control

RE: Far West Water & Sewer, Inc. - Customer Comments

Docket No. WS-03478A-08-0608

Please docket the attached \_\_\_\_\_ customer comments OPPOSING the above filed rate case.

Customer comments can be reviewed in E-docket under the above docket number.

Filed by: Utilities Division - Consumer Services

Arizona Corporation Commission DOCKETED

FEB 2 5 2009

DOCKETED BY

AZ CORP COMMISSION

1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347

WWW.AZCC.GOV

February 19, 2009

**Arizona Corporation Commission Consumer Services Section** 1200 W. Washington St. Phoenix AZ 85007

Re:

Docket for Comment: Proposed Emergency Application for Interim Rates and Charges

(Expedited Action Requested) for Far West Water & Sewer

Case or Utility Name: Far West Water and Sewer Company, Yuma, Arizona

Docket #WS-03478A-08-0608 Position on the Docket: Con

Far West Water and Sewer Company is trying to expedite a rate change by requesting an interim rate increase. This increase comes to over 100% of the existing rate of \$21.75 per month now charged whether the consumer is using his/her property and therefore sewer services for twelve months, for six months or even only for one month per year.

It is not unreasonable to expect a company to make a profit, but it is unreasonable to allow a company to gouge its customers in order to do so. In assessing whether or not to allow this interim sewer rate increase, particularly one so outrageous, it should be remembered that the potential "insolvency" problem described in their request is the result of the business practices of Far West Water and Sewer and not the current consumers.

The current consumers purchased their properties, a good percentage of them originating from the development company also under the same ownership as the water and sewer company, expecting that the company had installed a fully functional sewer system. This was not the case, as determinations made by the ADEQ have proven. It should not be the responsibility of the consumer, who in good faith purchased property expecting a fully operational system, to finance the errors made by the company.

Sincerely,

Monald and Jacquelyn Slevy 13381 F. 53rd H.

Juma G. 85367

Don and Jacque George 13381 53rd Street E.

#### UTILITY COMPLAINT FORM

Investigator: Al Amezcua

Phone:

**Priority: Respond Within Five Days** 

Opinion

No. 2009 - 76919

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

**Complaint By:** 

Donald

Shade

Account Name:

Donald Shade

Home:

Street:

Work: (000) 000-0000

City:

Yuma

**CBR** 

State:

ΑZ **Zip:** 85367 is: E-Mail

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

Roxanne Fiddes

Contact Phone:

**Nature of Complaint:** 

Docket #WS-03478A-08-0608

From: DON CAROLINE SHADE

Sent: Monday, February 23, 2009 6:13 PM

To: Utilities Div - Mailbox

Subject: RE: Farwest Sewer Rate Increase Request

February 23, 2009

Re:

Docket for Comment: Proposed Emergency Application for Interim Rates and Changes (Expedited Action

Requested) Far West Water & Sewer

Case or Utility Name: Far West Water and Sewer Company, Yuma, Arizona

Docket #WS-03478A-08-0608 Position on the Docket: Con

Farwest Water and Sewer Company is trying to expedite a rate change by requesting an interim rate increase. This increase comes to over 100% of the existing rate of \$21.75 per month charged each month of the year whether the consumer is using his or her property and the services of Farwest Water and Sewer Company for twelve months, six months or even only one month per year.

It is not unreasonable to expect a company to make a profit, but it unreasonable to allow a company to gouge its customers in order to do so. In assessing whether or not to allow this interim sewer rate increase, particularly one so outrageous, it should be remembered that the potential "insolvency" problem described in their request is the result of the business practices of Farwest Water and Sewer and not the current customers.

#### **UTILITY COMPLAINT FORM**

The current customers purchased their properties, a good percentage of them originating from the development company, also under the same ownership as the water and sewer company, expecting that the company had installed a fully functional sewer system. This was not the case, as determinations made by the ADEQ have proven. It should not be the responsibility of the consumer, who in good faith purchased property expecting a fully operational system, to finance the errors made by the company.

Sincerely.

Donald Shade

\*End of Complaint\*

**Utilities' Response:** 

**Investigator's Comments and Disposition:** 

I e-mailed the following reply to the consumer

Dear Mr. Shade:

I received your Arizona Corporation Commission Public Comment Form dated February 23, 2009, regarding the proposed rate increase application for Far West Water and Sewer Company ("Company"). I appreciate the time that you have taken to express your comments regarding this matter.

Your letter regarding the Company's rate case has been entered into our database and filed with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commissioners will consider your comments before a decision is rendered in the Company's application.

The concerns raised in letters received from customers will assist the Commission in the review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

Commission Staff is very sensitive to the burden that high utility rates can place on the consumer, and though constitutionally required to allow a fair return to the utility, does everything within its authority to protect the consumer.

Sincerely,

Alfonso Amezcua
Public Utilities Consumer Analyst II
Utilities Division-Phoenix Office
\*End of Comments\*

Date Completed: 2/24/2009

WS-03478A-08-0608 W5-03478A-08-0454

#### ARIZONA CORPORATION COMMISSION

#### UTILITY COMPLAINT FORM

Investigator: Carmen Madrid

Phone:

Fax:

**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

76943

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

**Complaint By:** 

Irven

Smith

**Account Name:** 

Irven Smith

Home: /

Work: (000) 000-0000

Street: City:

Yuma

CBR:

State:

ΑZ

**Zip:** 85367

is:

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

n/a

Contact Phone: n/a

# **Nature of Complaint:**

WS-03478A-08-0608 WS-03478A-08-0454

Just when I thought Far West Water and Sewer has acted in the most irresponsible way possible, I was surprised to find out Far West wants to make an end run around the normal system with an emergency rate increase. If You, the Arizona Corporation Commission Consumer Services Section fall for this ploy by Far West and approve this request of Far West, I think an investigation would be in order. You are our only hope. But will an approval body located in Phoenix consider the needs of the people in the Foothills of Yuma and deny the request? Or, will you go through the motions, the public hearing, the written protests, the e-mails, and still approve the outrageous rate increase asked for by Far West? We can only hope that you at the ACC are aware of the hardships the American people, and specifically the people in this area, are going through, and reject any and all rate increases by Far West.

Irven Smith Resident in the Foothills

Yuma, AZ 85365

\*\*\*\*

Carmen Madrid WS-03478A-08-0608 WS-03478A-08-0454

Greed again raises it's ugly head, this time in the utility business by Far West Sewer and Water Company. America is now in a financial low point. When we try to figure out just how we got there we can look to that evil called Greed. It has always been a human failure, but these past few years it has become so invasive in our

#### **UTILITY COMPLAINT FORM**

culture that it has had devastating effects on our national economy.

Last year we have seen large corporation suffering massive loses because of the outrageous prices of petroleum products. During that time oil companies gouged their customers, and rack-up enormous profits. Greed.

We have seen the housing industry collapse. Mortgage lenders knowing wrote bad loans then sold them off adding cash to their bottom line without taking any responsibility for their actions. Greed.

Bankers and car companies are asking for help from our government, and getting it, while at the same time executives are laying off thousands of workers they are paying themselves millions in salaries and bonuses. Greed

Individuals bought homes with the sole purpose of flipping those homes at a profit. They were looking for quick money without upgrading or remodeling the property. Yes, without adding any real value to the property. Greed.

Last year food prices were raised, the rational - gas prices were high so costs to deliver food has gone up resulting in higher food prices. But the price of gas has gone down without the prices of food going down. Airlines have used the same excuse, but the extra charges the airlines have tacked on has not gone away. Greed.

Now Far West Sewer and Water Company in the Foothills wants to slam its customers with jacked up prices to increase it profits. Please note, that's the same company that delivers virtually undrinkable water. Water that taste so bad that to be able to swallow it people in the area have to filter their own water, or buy water from one of the numerous kiosks in the area. That company wants to increase the price for their product without making any improvements to it. Greed.

People are hurting, people are losing their jobs, people are losing their retirement income, people are trying to survive on fixed incomes. Now is not the time for utilities to get on the Greed Bandwagon and raise their rates. Now is the time to be a responsible corporate citizen. You at ACC must do the right thing and reject the request from Far West to Increase rates.

Talbart Smith in the Foothills

\*End of Complaint\*

# **Utilities' Response:**

# **Investigator's Comments and Disposition:**

Opinion noted and filed in Docket No. WS-03478A-08-0454 and WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

# ARIZONA CORPORATION COMMISSION

#### **UTILITY COMPLAINT FORM**

**Investigator: Carmen Madrid** 

Phone:

Fax:

**Priority: Respond Within Five Days** 

Opinion

No. 2009

76910

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Sherri

Account Name:

Congrove

Sherri Congrove

Street:

Home

Work: (000) 000-0000

City:

Yuma

CBF

State:

ΑZ

**Zip:** 85367

is: E-Mail

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

n/a

Contact Phone: n/a

# **Nature of Complaint:**

**EMERGENCY RATE APPLICATION WS-03478A-08-0608** 

BASED ON THE FOLLOWING INFORMATION, we the customers of Far West Water and Sewer Co., would like to ask the Arizona Corporation Commission to NOT APPROVE the application submitted by Far west water and Sewer Company. Docket No. WS-03478A-08-0454.

A. Far West provides water and sewer services to the Foothills area east of Yuma. There are approximately 8000 residential and commercial customers in this unincorporated area of Yuma County, who would receive a rate increase of over 200% over a period of three years. Once approved this new rate will be the permanent rate and will continue until Far West decides to raise the rates again. \*End of Complaint\*

# **Utilities' Response:**

# **Investigator's Comments and Disposition:**

Opinion noted and filed in docket WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

#### ARIZONA CORPORATION COMMISSION

#### **UTILITY COMPLAINT FORM**

**Investigator: Carmen Madrid** 



Fax:



**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

76909

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

**Complaint By:** 

Charles & Laura

Lodge

**Account Name:** 

Charles & Laura Lodge

Street:

Home:

Work: (000) 000-0000

City:

Yuma

CBR:

State:

ΑZ

**Zip**: 85367

is: E-Mail

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

n/a

Contact Phone: n/a

# Nature of Complaint:

**EMERGENCY RATE APPLICATION WS-03478A-08-0608** 

Far West Water & Sewer is a private organization and is trying to extort money out of its customers to increase its net profits.

Once its existing customers pay for the expanding of the sewer plant which will increase their customer base there will be no reduction in fees.

We are in the city limits and will be paying a rate that will increase approximately 200% above the rest of the city of Yuma. At that point the owners will have a gigantic increase of their profits.

There are other legal resources to obtain loans to increase their business. \*End of Complaint\*

#### **Utilities' Response:**

# **Investigator's Comments and Disposition:**

Opinion noted and filed in docket WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

#### UTILITY COMPLAINT FORM

**Investigator: Carmen Madrid** 

Phone:

Fax:

**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

76908

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

**Jerry** 

**Account Name:** 

Jerry Ray

Ray

Work: (000) 000-0000

Street: City:

Yuma

Home: (

CBR:

State:

ΑZ

**Zip**: 85367

is: E-Mail

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

n/a

Contact Phone: n/a

**Nature of Complaint:** 

EMERGENCY RATE APPLICATION WS-03478A-08-0608

----Original Message----

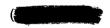
From: Jerry & Arlyne [mailto:

Sent: Friday, February 20, 2009 8:43 AM

To: Utilities Div - Mailbox

Subject: Docket #WS-03478A-08-0608

Jerry Ray Feb. 20th. 2009



DOCKET YOU WISH TO COMMENT ON:

\*Emergency Rate Increase\*

**DOCKET NUMBER** \*WS-03478A-08-0608\*

CASE OR UTILITY NAME

\*Far West Water & Sewer Co.\*

YOUR POSITION ON THE DOCKET PRO CON OTHER

\*CON\*

# ARIZONA CORPORATION COMMISSION UTILITY COMPLAINT FORM

# YOUR E-MAIL ADDRESS

This Massive rate increase should not be allowed because this company already charges its customers an amount that is more then enough to maintain the sewer system for the number of customers it was originally designed to handle. The problem is this company insists on adding new customers to the existing facilities and wants to be able to charge its existing customers to pay for the new upgrades instead of installing the infrastructure and paying for it with the profits made from sales of existing property.

The fact that this company has lost a multi million dollar law suit is also one reason given for this increase which is a problem the company should \*NOT\* be allowed to use since its customers should not be penalized for their mismanagement!!

Normal and regular rate increases are a fact of life and of running a profitable business, but to allow such a massive increase as this is pure greed on the company's part and should never be allowed by this commission.

Jerry Ray \*End of Complaint\*

#### **Utilities' Response:**

# **Investigator's Comments and Disposition:**

Opinion noted and filed in docket WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

#### ARIZONA CORPORATION COMMISSION

#### UTILITY COMPLAINT FORM

**Investigator: Richard Martinez** 

Phone: (





**Priority: Respond Within Five Days** 

Opinion

No. 2009

76916

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

**Complaint By:** 

Sidney

Christenson

**Account Name:** 

Sidney Christenson

Home:

Street:

Work:

Tucson

CBR:

City: State:

ΑZ

**Zip:** 85719

is:

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

Contact Phone:



# **Nature of Complaint:**

(WS-03478A-08-0608)

Friday, February 20, 2009

Docket No. WS-03478A-08-0608

**Arizona Corporation Commission** 400 W. Congress, Room 218 Tucson, AZ 85701

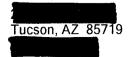
As a consumer, I wish to protest the absurd raise in sewer fees that Far West has requested.

As a part-time resident with an RV on an RV lot in Vista Del Sol my usage is minimal.

All other services are provided by the City of Yuma. My water usage for 2007 was 3 hcf and also 3 hcf for 2008. With the Winter Visitor population starting to leave in the spring, Far West has far less effluent to treat, vet they want a rate increase far beyond reason.

In 2000, they shut off the sewer charge when we shut off the water with the City of Yuma. After a lawsuit for careless practice involving the death of one of their employees, Far West began charging for sewer year-round and raised the rate. Presently with more litigation on odor control and apparent failure to comprehend growth we are again expected to cover the short comings.

Sidney Christenson



# **UTILITY COMPLAINT FORM**

\*End of Complaint\*

# **Utilities' Response:**

na

\*End of Response\*

# **Investigator's Comments and Disposition:**

I emailed this OPINION to Carmen Madrid @ ACC Phoenix Office to have this docketed towards Far West Water & Sewer, Inc. Docket No. WS-03478A-08-0608. FILE CLOSED.

\*End of Comments\*

Date Completed: 2/24/2009

# ARIZONA CORPORATION COMMISSION

#### **UTILITY COMPLAINT FORM**

Investigator: Carmen Madrid

Phone:

Fax:

**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

76930

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Paul & Barbara

Galyon

**Account Name:** 

Paul & Barbara Galyon

Home: (000) 000-0000 Work: (000) 000-0000

Street:

---

City:

Yuma

ΑZ

CBR:

State:

**Zip**: 85367

is: E-Mail

**Utility Company.** 

Far West Water & Sewer, Inc.

Division:

Water

**Contact Name:** 

n/a

Contact Phone: n/a

**Nature of Complaint:** 

\*\*\*\*\*\*\*\*EMERGENCY RATE CASE: WS-03478A-08-0608\*\*\*\*\*\*\*\*\*

It is understandable that rate increases are needed from time to time, but to ask for an emergency increase over 100% all at once in our current economic times is unreasonable. Even if the economy was not in a recession - that much of an increase at once comes from mismanagement of the company. We all know of their lawsuits and fines for not properly managing their treatment plants. We should not have to pay for their unprofessional procedures. A much smaller increase would be acceptable.
\*End of Complaint\*

# **Utilities' Response:**

# Investigator's Comments and Disposition:

Opinion noted and filed in Docket No. WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

#### ARIZONA CORPORATION COMMISSION

#### UTILITY COMPLAINT FORM

**Investigator:** Carmen Madrid

Phone:

Fax:

**Priority: Respond Within Five Days** 

Opinion

No. 2009

76933

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Dennis

Larson

Account Name:

Dennis Larson

Home:

Work: (000) 000-0000

Street:

CBR: I

City:

Yuma

ΑZ

is: E-Mail

State:

Far West Water & Sewer, Inc.

**Zip:** 85367

Division:

Water

Contact Name:

**Utility Company.** 

n/a

Contact Phone: n/a

Nature of Complaint:

Dennis Larson

2/20/2009





Emergency Rate Increase Docket # WS-03478A-08-0608

Far West Water & Sewer Company - Yuma, AZ (x) Con

larsonmd@q.com

#### Comments:

The rate increase and "Emergency" rate increase should not be approved:

- A. The increase is unrealistically high and not within customary increases in the industry.
- B. The "need" for an increase is the result of company management ineptitude and an attempt to generate revenue to solve continuing problems.
- C. The "need" for an increase could be considered a "bailout" for mistakes and poor management when more competent management or new ownership with vision could solve problems at less expense.

As a resident of Vista del Sol subdivision in Yuma, we have experienced continuing odor problems, which are only diminished by winds from the north. The odor seriously affects the quality of life, maybe even our health. and property values in the area. A properly developed and constructed treatment plant would have eliminated

#### **UTILITY COMPLAINT FORM**

this problem. Far West should be liable and those charges should not be passed on to their customers in the form of huge rate increases in a short time frame. Other means of funding construction should be found which would enable re-payment over a greater number of years to reduce impact on customers. Maybe Federal money is available at this critical time in our economy.

The situation Far West finds itself in was of their doing. Management should be held accountable. Maybe municipal ownership of Far West would be a viable solution for improving service at affordable prices. Exorbitant monthly rate increases would not seem to be the solution.

\*End of Complaint\*

#### **Utilities' Response:**

#### **Investigator's Comments and Disposition:**

Opinion noted and docketed in WS-03478A-08-0608. closed \*End of Comments\*

Date Completed: 2/24/2009

#### **UTILITY COMPLAINT FORM**

Investigator: Deb Reagan

Phone:

Fax:

**Priority: Respond Within Five Days** 

**Opinion** 

No. 2009

76929

Date: 2/24/2009

**Complaint Description:** 

08A Rate Case Items - Opposed

N/A Not Applicable

First:

Last:

Complaint By:

Linda

Mayer

**Account Name:** 

Linda Mayer

Work:

Street: City:

Yuma

CBR:

State:

ΑZ

**Zip:** 85365

is: Cellular

Home: (000) 000-0000

**Utility Company.** 

Far West Water & Sewer, Inc.

**Division:** 

Water

**Contact Name:** 

Roxanne Fiddes

Contact Phone:



**Nature of Complaint:** 

\*\*\*\*\* WS-03478A-08-0608 \*\*\*\*\*

Customer left a v/m message stating she is emphatically opposed to both rate increase requests. \*End of Complaint\*

#### **Utilities' Response:**

# **Investigator's Comments and Disposition:**

Customer comments filed in both dockets.

\*End of Comments\*

Date Completed: 2/24/2009